



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

June 8, 2000

John Price
Pitt Mining Company
423 Weiss Road
Shelocta, Pennsylvania 15774

Re: Acceptance of Amended Notice of Intention to Commence Small Mining Operations, Organite #1 Project, S/023/009, Juab County, Utah

Dear Mr. Price:

Thank you for your Notice of Intention to Commence Small Mining Operations and initial \$100.00 permit application fee, received by the Division on June 7, 2000. This permit was just transferred to you from Painted Rocks Mining Company, therefore, this notice will be treated as an amendment to the Painted Rocks Mining Permit, file number S/023/009. The new application is adding sections 21, 28, 30, and 31 to the already permitted section 32, T16S, R01W, Juab County, Utah. The notice has been determined to be complete. The only discrepancy is the mineral lease number for section 32 managed by School and Institutional Trust Lands Administration (SITLA). Please advise us if Painted Rocks mineral lease # 40880 has been reassigned to you, or if SITLA has issued you a new lease number.

The Utah Mined Land Reclamation Act of 1975 [40-8-7(I)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 1998, the fees are assessed to new and existing notices of intention, and annually thereafter. Small Mining Notices require a \$100.00 annual fee. It is the Division policy that permit fees received within 45 days of the next fiscal year (July 1 - June 30) will be applied toward the next year. Therefore, your permit will be credited toward the 2000-2001 fiscal year. You should not receive a billing for the fee payment in July. If you do receive this billing notice, please contact Joelle Burns at (801) 538-5291 so it can be corrected.

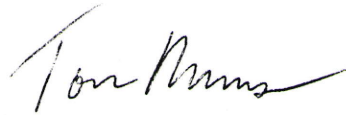
For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-1). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

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John Price
S/023/009
June 8, 2000

Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes in your new mining venture.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tom Munson".

Tom Munson
Senior Reclamation Specialist

jb
Enclosure
cc: John Blake, SITLA (ML-40880)
S23-09-noi



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June 8, 2000

John Price
Pitt Mining Company
423 Weiss Road
Shelocta, Pennsylvania 15774

Re: Transfer of Notice of Intention from Painted Rocks Mining to Pitt Mining Company. Painted Rocks Mine to Organite Inc. #1 Project. S/023/009, Juab County, Utah

Dear Mr. Price:

On June 7, 2000, we received the completed Transfer of Notice of Intention of Small Mining Operations to transfer the Painted Rocks small mining project located in section 32, T16S, R1W, Juab County, Utah from Painted Rocks Mining to Pitt Mining Company.

The Division Director signed and executed the transfer document on May 8, 2000, *which effectively transfers the responsibility of this mining operation and reclamation to you.* A copy of the transfer form is enclosed for your files. You are now the official party responsible for all mining and reclamation obligations for this project.

By copy of this letter the **Division hereby officially releases Richard Michael of Painted Rocks Mining Company** from any further reclamation responsibilities at this site. Thank you for your help in finalizing this transaction. If you have any questions or concerns regarding this letter, please contact me at (801) 538-5286. Best of luck with your new mining venture.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosure: Executed Transfer form

cc: Richard J. Michael, Painted Rocks Mining Co w/encl
John Blake, SITLA (ML-40880) w/encl

S23-09-trs